

MEETING OF THE WESTMINSTER SELECT BOARD

Wednesday, September 22, 2021 at 6:30 p.m.

Westminster, VT Town Hall and by Zoom Conferencing

Members Present: Kevin Hughes (Chair), Craig Allen (Vice Chair), Susan Harlow (Clerk), Toby Young and Jason Perry

Others Present: Russell Hodgkins (Town Manager/Zoning Administrator) Chuck Lawrence (Road Foreman), Paul Harlow (Treasurer), David Major, Yesenia Ielpi Major, Millie Barry (Recorder) and FACTV (one person). Cynthia Stoddard, Darlene Kelly (Assistant Treasurer), Fran Renaud and others (not identified) by Zoom.

1. **Call to Order:** Kevin Hughes, chair of the Board called the meeting to order at 6:30 p.m. This meeting was held in person at the Westminster Town Hall and by Zoom Conferencing available through FACTV. Information to access the meeting by Zoom conferencing (remote means) is available on FACTV Facebook page or by contacting the Westminster Town Hall.
2. **Adjustments to the Agenda:** Russell Hodgkins requested to add a third cemetery deed under New Business, F. Susan Harlow requested to add Town welcome packets under New Business, G. Mr. Hughes noted the additions.
3. **Acceptance of Minutes:** September 8, 2021 - Susan Harlow motioned to accept the minutes as printed, Craig Allen seconded the motion, motion carried 4-0. Toby Young abstained from the vote as she did not attend the meeting.
4. **Communications and Public Comments:**
 - School District Invoice - David Major - Mr. Major relayed the State Board of Education had given the final okay for the Town of Westminster to regain its Town School District. The school budget and school board members will be voted on at Town meeting. Mr. Major reviewed and clarified the invoice (included in the packet) for costs incurred by the Town due to the absence of a tax rate, printing, mailing and clerk hours in 2019, 2020 and 2021. Mr. Hodgkins said the Town also incurred legal fees and these expenses had been paid by the Town. Mr. Major will bring the information to the joint, unified board and Westminster School district meeting on 9/23/2021 and will report back to the Board. Ms. Stoddard stated she had mentioned to the Board previously but wanted to be sure they were aware, the Town received a portion of money for collecting school property taxes each year. The amount this year the Town was able to deduct from the school what is owed for property taxes is \$9,633.00. Ms. Stoddard said this money was for revisions of property tax bills and producing and mailing out bills the Town was able to keep a portion of the School property taxes to help with administrative costs. Mr. Allen stated this money was for

regular tax bills not for the special circumstance or costs associated with re-billing tax bills. Mr. Hughes said Ms. Stoddard's information would be taken under consideration.

5. Unfinished Business (Discussion/Action) -

- A. American Rescue Plan Act (ARPA) Covid (Corona Virus) local recovery funds update. Mr. Hodgkins relayed information was received from Windham Regional providing reporting deadlines the committee of 12 members will consider. A meeting is scheduled for Tuesday, September 28 at 5:30 p.m. The meeting will be held in person and by Zoom.
- B. Hartley Hill Road - private section update - Mr. Hodgkins said legal counsel was working on the project and his file of information had been transferred to them.
- C. Collaborative Financing Processing Manual - update - Mr. Harlow said he and Ms. Kelly were working on documenting procedures. Ms. Kelly relayed she has documented two procedures; the bank reconciliation process and how to reconcile the quarterly reports. At the next Board meeting the accounts payable and cash receipt functions will be on paper.
- D. Five-year Capital Plan update - Information included in packet - Ms. Harlow said she had met with Mr. Lawrence regarding upgrades to the Town garage and has estimates received thus far. Mr. Allen said VT Foam insulation company had looked at the North Westminster Community House and the Town Garage. The representative believed the Community House was a sound building with almost no insulation present. He will write up suggestions for insulation. The insulation would be installed through the outside clapboards. Mr. Allen will meet with the fuel oil person to look at the chimney and receive an estimate for heat. The first steps would be to insulate the building and get heat on. Ms. Harlow recommended replacement of the fuel tanks at the Town Garage should be done in the present year.
- E. Town Hall Front Steps - Information included in packet - Mr. Hodgkins said the contractor, Brennan proposed cost to repair and level the steps be incurred by the contractor. Painting, with a chemical resistant product and labor totaling \$1,400.00 would be paid by the Town. Mr. Hodgkins read information and suggestions from Brennan regarding a contact to Carroll Concrete that included a structural patching compound can be applied and that patching and painting was a good option. Another option was to jack hammer the top layer off the steps and pour a thin layer of concrete. Use of salt would compromise the steps over time but the paint applied should supply protection against salt. The paint could be applied yearly, if needed. Mr. Allen questioned the \$1,400.00 for painting and suggested the Town purchase the paint and Mr. Brennan supply the labor to paint. Hodgkins said the paint was expensive and believed it would take 8 gallons to do the project. Mr. Perry wasn't excited to spend any money for the repair adding if the project had been done correctly and sealed, it would not need repair at this time, Brennan should pay for the entire repair. If that wasn't possible, Mr. Allen's suggestion was a good middle of the road compromise for the Town to pay for the paint. Fran Renaud asked the Board to keep in mind 30 days was needed between applying paint to new concrete. Mr. Hodgkins suggested Brennan purchase the paint and the Town furnish the labor to paint. The Board agreed to Mr. Hodgkins proposal.

6. New Business: Discussion/Action

A. Financial Discussion - Darlene Kelly and Cynthia Stoddard - Darlene Kelly asked the Board to look at the balance sheet (information included in packet) - She believed it was a very important piece of the financials showing where the cash was and what the Town owed. She noted the Mascoma checking account balance of \$1,845,000.00. This is the general fund checking account used for paying bills. Still owing is money to the fire district of \$139,000.00. Also, the fund balance section of the report shows the Town ended last year with \$474,000.48, basically savings that have built up over the years from having a surplus on the budget. Ms. Kelly felt this was a large amount for a town. Ms. Stoddard said the \$474,000.00 is not the emergency fund or any other reserve. Carried forward was almost \$400,000.00.

Ms. Kelly said the budget status report showed a simple summary that about 50% of property taxes were collected. The delinquent tax report shows almost \$50,000.00 owed. The ARPA (American Rescue Plan Act) cash received was almost \$464,000.00. Miscellaneous revenue was over budget by \$3,500.00 from a workers compensation audit refund and an oil spill clean-up.

On the expenditures side \$550,000.00 had been paid out for the storm in August. Clerical and election supplies are high and guardrails are over budget. Also, social services payments have not been made.

Kevin Hughes thanked Ms. Kelly for her clear presentation. Ms. Kelly asked the Board to pay attention to the fund balances as they were large. She questioned how the Town was going to use the money and why money was borrowed when this amount of money was available. Even though the Mascoma interest rate was low, she questioned why the Town borrowed any money? For future planning, are there plans for this money? Susan Harlow said some of the projects planned were expensive questioning costs for bridge rehabilitation? Mr. Hodgkins said the Town's portion of the Saxtons River Bridge was about \$55,000.00 and the East Putney Brook Bridge was in the \$220,000.00 range. Ms. Harlow said the fuel tank replacement at the Town garage would take the entire amount of \$63,000.00 in the garage fund. Ms. Harlow argued they had not put enough money aside for expenses. Cynthia Stoddard believed it was good the Board was working on a Capital Plan. She added, her issue from a financial perspective, was it was important for the board to know the amount of cash on hand. At the end of FY (fiscal year) 2021 there was almost \$400,000.00 in an undesignated fund and \$150,000.00 in an emergency fund. With this amount of money available, the Board borrowed money. Ms. Stoddard did not believe the reimbursement of funds for the cost of the recent storm would be available by Town meeting. The loan from Mascoma will be turned into a long term loan. Her belief was a possible lack of understanding by the Board of fund accounting. Paul Harlow believed it was reasonable to wait for information from the auditors to see exactly what the Town has. Mr. Hodgkins said the auditor recently relayed, with adjustments, the surplus at the end of 2021 going into 2022 would be about \$380,000.00.

Ms. Stoddard argued the Town should not be relying on an auditor to know what the surplus is. She said the auditor was not the Town's accountant. Mr. Perry said when the Board talked about funding for the storm the information provided was there was \$250,000.00 available. The additional money borrowed was to pay contractors. He had not heard the \$400,000.00 amount

until last week. Ms. Stoddard said no one asked Ms. Kelly the amount of money available. Possibly a training process would be good so the Board could read the reports and understand all the numbers. Mr. Allen questioned borrowing money against money the Town has. As an example, was it possible to borrow money from the re-appraisal fund? Ms. Stoddard relayed the Town could take money from other accounts, money sitting in cash accounts, as an ebb and flow of money coming in and going out. Ms. Kelly said there was a sheet showing the borrowing and paying back between funds. Ms. Stoddard said the Town would have to way over spend to run out of physical cash. Ms. Harlow said at the special Town meeting in May 2021 the taxpayers allocated the surplus funds. The taxpayers voted on how the surplus was to be spent. Was Ms. Stoddard saying it was okay to use the surplus, the taxpayers retroactively saying it was okay to spend the surplus on storm damage?

Ms. Stoddard said she does not think there is ever a point not to borrow, more it was the timing of borrowing money. It was management of finances and being mindful of spending. Mr. Hodgkins said \$225,000.00 had been borrowed from the line of credit.

Kevin Hughes motioned to have Ms. Kelly give the Board a once monthly synopsis of funds until the Board is in agreement of where the money is and where it is spent. Susan Harlow seconded the motion, motion carried 5-0. Mr. Hughes stated he was especially interested in utilizing money from other funds in order to avoid borrowing money in the case of an emergency. Mr. Allen requested the same format of financial information be presented at each monthly update so the Board could understand and learn where the numbers were coming from. Ms. Kelly will supply the financial information in advance of the monthly meeting for the Board to review.

Mr. Perry questioned how the guard rail budget was over spent. Mr. Lawrence said after a car took guardrails out, the expense to replace guardrails was reimbursed by the insurance company. This reimbursement went to the general fund. Mr. Lawrence said this was a reason to separate his budget from the overall Town budget to better track highway expenses and income. Ms. Stoddard said items such as these could be noted on the budget sheet.

Susan Harlow commented, Cola (cost of living allowance) increase in social security benefits to counteract inflation currently proposed in the budget is 2.5 %. Given present inflation, Ms. Harlow questioned increasing to 3% in the budget. Ms. Hughes believes the increase in inflation will be considerably higher in the intermediary period due to the circumstances in the past 19 months. The Board agreed to budget an increase to 3%.

Mr. Hodgkins requested to take the items in Westminster General Ledger, Budget Status Report (information included in the packet) line by line. Page 1, the Selectmen salary has been constant for eight plus years. Toby Young stated she had no problem leaving the salary as it is. The Board agreed. Mr. Hodgkins relayed the clerk's salary was increased two years ago. Social security is based on Cola, Mr. Hodgkins will adjust this amount. Retirement has not changed. Health insurance rates have not come out as of yet but a 5% increase is predicted for the remainder of 2021. This item should be tabled until further information is available. Select Board expenses fluctuate. Mr. Hodgkins level funded this item amount. Ms. Harlow confirmed these expenses included FACTV and other select board needs. Mr. Hodgkins said computer expenses include money paid to Mr. Lazarek for updates to the Town website and increase approximately 5% yearly.

Office Supplies fluctuate, last year the Town over spent this item. In the current year he believes they will over spend this budget item as well. Miscellaneous could be paper, request for bids etc. Mr. Hodgkins believed Town meeting expense would remain the same. Volunteer recognition would stay the same and advertising for legal notices of \$4,000.00 would remain about the same. VT League of Cities and Town is typically a 5% increase. Training has been maintained at \$300.00 for many years. Windham Regional Planning typically increases by 5%. New insurance rate information has not been received. The legal services amount increased to \$15,000.00 in FY 2021. Mr. Hodgkins recommended level funding to \$8,500.00. Legal services depended on Town needs. The company supplying the service for Town office phones was changed to Cytracom. The amount charged has remained about the same. Mr. Hodgkins confirmed he would update numbers as new information was available.

Town meeting report staff is for staff creating the report from information received. Mailing the report expense has decreased as residents are picking up the report at the Town hall.

B. July 29, 2021 Storm, Progress update - Mr. Hodgkins said approximately \$550,000.00 has been spent to date for repairs due to the storm. \$225,000.00 has been taken from the Mascoma line of credit and \$250,000.00 from the emergency and working capital fund for a difference of \$75,000.00. Mr. Hodgkins asked the Board to decide about taking additional money from the line of credit or borrow money from the Town funds. Ms. Harlow questioned major outstanding expenses. Mr. Hodgkins said the bid letters for the Covered Bridge road repair, Town Hall front entrance and Trash pickup had been mailed. Ms. Stoddard recommended the Town Manager and Ms. Kelly do an analysis in the next week to figure expenditures in coming weeks as well a cash flow analysis to figure out next steps. She would like NEMRC (New England Municipal Resource Center) to be a resource the Town can use to supply information to make the best decisions.

Mr. Lawrence said 75% of the storm damage repair had been completed. Mr. Lawrence believed it is possible to use an additional \$250,000.00 for repairs.

C. Highway Department Discussion. Mr. Lawrence asked to extend summer hours. At present the department works four days a week. The usual plan, at this time of year, is to go to five days a week until 2:30 p.m. The summer hours would be extended until road repairs are complete or there is snow. Mr. Lawrence told the Board he had applied for a grant for a machine to blow the leaves away from stone. The cost of the blower is \$5,000.00. If the grant is received, the Town would be responsible for \$1,000.00 of the cost. Mr. Hughes talked about the structure of the highway department and possibly discussing how the department functioned currently to better utilize resources and expense ratios. Changes in structure could be temporary or permanent. Mr. Hughes complimented Mr. Lawrence, the Town Manager/ Road Commissioner and the highway crew for an exceptional job. He asked the Boards thoughts regarding the highway crew being a detached entity as far as administration. Mr. Allen believed it would be appropriate for the highway department to stand more on its own. The department could take care of highway bids, contracts etc. and the Manager would take care of the financial piece. He felt the department could be encouraged to be more involved with decision making in the day to day operation of the department. Ms. Harlow questioned if part of this would be separate budget

and a separate vote at Town meeting. Mr. Hodgkins confirmed the budget and vote would be separate. In the future, Mr. Allen believes Westminster and other Towns could share more equipment and resources. He believed different options were worthwhile exploring. Mr. Hodgkins said he did not know how reorganizing would affect State aid. If the highway department received their own separate allocations from the State, would there be less or more money in State aid? Ms. Kelly relayed, regarding financials, the highway department was already part of the Town. To separate the funds is not asking for anything different but making it clear to understand expenses and income. She believed separating the funds was much more transparent. Mr. Hughes said there would be an after action memo on the storm to note the things done very well, things the Town learned and things that could have been done better.

D. Invoice for School District - action if any - Item tabled

E. Publishing names of deceased in Town Report - discussion (information included in packet) - Mr. Hodgkins said at the last meeting the Board talked about publishing names of those people that have passed away in Westminster in the Town report. He noted in 2007 the Town of Westminster issued information reading in part: **“births deaths, burials, marriages and civil unions were printed in the town report. New federal regulations (Intelligence Reform Law and the Real ID Act) are expected to be issued this year and one of the areas that will be particularly affected is the accessibility to vital records. The VT Department of Health has been phasing in new regulations for acquisition of birth and death certificates beginning in 2007. Because of fraud and identity theft increase and for the protection of the public, we have changed our traditional report.”** The Town report contained the number of births, marriages, civil unions etc. Mr. Hodgkins said that due to the possibility of fraud and identity theft, to obtain a death or birth certificate took identification and signatures to verify identities. After discussion, the Board voted informally 5-0 to honor the memory of people and include names in the Town.

F. Cemetery Deeds - (3) Three requests for single burial plots. The Manager told the Board Lowe has six plots scattered throughout the cemetery. The Town will buy back three lots selling the Lowe's three lots in a row. Susan Harlow motioned to approve the three cemetery deeds as presented and printed. Toby Young seconded motion, motion carried 5-0.

G. Town Welcome Packets - Susan Harlow - Ms. Harlow noted new people in Town were contacting the Town Clerk for information. Ms. Harlow, Pauline Blake-O'Brien and Craig Allen will assemble information for a packet.

7. Manager's Report: September 22, 2021 -

1. Mr. Hodgkins and Mr. Lawrence met with a USDA (United States Department of Agriculture) representative about a program giving towns the ability to apply for additional funding for water related incidents not covered by a FEMA (Federal Emergency Management Agency). The representative looked at several areas in Town.
2. Letters to bid for Trash pick-up, the Town Hall Front Entrance and repair to Covered Bridge/Henwood Hill Road have all been mailed.

3. To advertise in local publications such as the *Keene Sentinel*, *Brattleboro Reformer* or other area newspapers costs approximately \$1,000.00 for a single proposal. There is almost no response from newspaper articles as people are not reading daily newspapers. Fourteen letters were mailed to area contractors hoping to get 3-4 bids for repair to Henwood Hill/Covered Bridge Road. Mr. Allen said there was a place on the State website to post bids. Mr. Hodgkins said one bid had been placed on this website with no response.

8. Boards and Commissions: None

9. Other Business: None

10. Date of Next Meeting: October 13, 2021 at 6:30 p.m.

11. Adjournment: Toby Young motioned to adjourn, Susan Harlow seconded the motion, the meeting was adjourned at 8:25 p.m.

Clerk

Date